

House File 2445 - Introduced

HOUSE FILE 2445

BY COMMITTEE ON WAYS AND MEANS

(SUCCESSOR TO HSB 641)

A BILL FOR

1 An Act excluding certain promotional play receipts from the
2 definition of adjusted gross receipts for purposes of the
3 wagering tax on gambling games and relating to other matters
4 involving gambling games regulation.
5 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:

1 Section 1. Section 99F.1, subsection 1, Code 2016, is
2 amended to read as follows:

3 1. *Adjusted gross receipts* means the gross receipts less
4 winnings paid to wagerers. However, "adjusted gross receipts"
5 does not include promotional play receipts received after the
6 date in any fiscal year that the commission determines that
7 the wagering tax imposed pursuant to section 99F.11 on all
8 licensees in that fiscal year on promotional play receipts
9 exceeds twenty-five million eight hundred twenty thousand
10 dollars.

11 Sec. 2. Section 99F.1, Code 2016, is amended by adding the
12 following new subsection:

13 NEW SUBSECTION. 19A. *Promotional play receipts* means
14 the total sums wagered on gambling games with tokens, chips,
15 electronic credits, or other forms of cashless wagering
16 provided by the licensee without an exchange of money as
17 described in section 99F.9, subsection 3.

18 EXPLANATION

19 The inclusion of this explanation does not constitute agreement with
20 the explanation's substance by the members of the general assembly.

21 This bill concerns the definition of adjusted gross receipts
22 for purposes of Code chapter 99F governing gambling games.

23 The bill amends the definition of adjusted gross receipts
24 to provide that adjusted gross receipts does not include
25 promotional play receipts received after the date in any
26 fiscal year that the wagering tax on the portion of adjusted
27 gross receipts representing promotional play receipts exceeds
28 \$25,820,000. The bill defines promotional play receipts as
29 the total sums wagered on gambling games with tokens, chips,
30 electronic credits, or other forms of cashless wagering
31 provided by a licensee without an exchange of money.

32 The definition of adjusted gross receipts is used, in part,
33 to calculate required charitable contributions pursuant to
34 Code sections 99F.5 and 99F.6, net receipts for purposes of
35 determining annual purses for horse racing at the racetrack in

H.F. 2445

1 Polk county pursuant to Code section 99F.6, and the wagering
2 tax pursuant to Code section 99F.11.